

## **Response to CFR**

Carollea Fraher < Carollea@spessoil.com>
To: "osageregneg@bia.gov" < osageregneg@bia.gov>

Wed, Mar 13, 2013 at 2:52 PM

Attached is our response to the proposed changes to the CFR. An original will follow by mail.

Please advise receipt of attachment.

Thank you,

**Spess Oil Company** 

200 S. Broadway

Cleveland, OK 74020

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BIA-Response to CFR.pdf

## Spess Oil Company, Inc.

200 S. Broadway Cleveland, OK 74020 Office: (918) 358-5831 Fax: (918) 358-9024

March 13, 2013

Mr. Eddie Streator Designated Federal Officer BIA, Wewoka Agency P.O. Box 1540 Seminole, Oklahoma 74818

Dear Mr. Streator:

The proposed changes to the Code of Federal Regulations (CFR, Title 25, Chapter, 1, Part 226) for Osage County, Oklahoma would add excessive burdens to the oil and gas producers of the county. We at Spess Oil Company strongly oppose the various changes that add undue costs in the form of inordinate increased fees, excessive fines and administrative costs.

We also oppose regulations that automatically terminate leases for non-production of "paying quantities" after 90 days. Additionally, arbitrarily forcing an operator to drill a well or modify an existing well is very troubling when a mutual decision of action would seem more appropriate.

Requiring producers to furnish run tickets on a quarterly basis when the purchaser already does so and requiring notification before calling in oil with a fine of \$500 if not done seems redundant, excessive and another layer of administrative costs.

We understand that some fees and administrative regulations may need to be periodically adjusted; however, we believe the proposed changes in many instances excessive and extremely burdensome to producers. Please reconsider and modify the proposed changes to help producers continue to produce oil and gas profitably in Osage County.

Sincerely,

Carol Spess, President Spess Oil Company

CS:clf